

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year																		
		Weights 2002	1990 Q1	1990 Q2	1990 Q3	1990 Q4	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	
<b>Index Levels:</b>																				
Total - PPS02		100.000	0.690	0.696	0.708	0.718	0.726	0.730	0.739	0.745	0.751	0.756	0.765	0.770	0.776	0.781	0.787	0.791	0.796	
Compensation		59.993	0.655	0.661	0.676	0.687	0.694	0.698	0.709	0.717	0.724	0.728	0.738	0.745	0.751	0.755	0.763	0.769	0.775	
Wages	ECI- Hospital Workers (Civilian)	48.171	0.665	0.671	0.686	0.695	0.702	0.706	0.716	0.724	0.730	0.733	0.742	0.747	0.753	0.757	0.764	0.771	0.775	
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.613	0.621	0.636	0.651	0.662	0.666	0.680	0.687	0.702	0.711	0.725	0.737	0.744	0.748	0.756	0.764	0.772	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.648	0.653	0.664	0.671	0.680	0.686	0.696	0.703	0.712	0.719	0.729	0.735	0.743	0.749	0.754	0.759	0.769	
Utilities		1.251	0.739	0.749	0.766	0.758	0.773	0.788	0.826	0.788	0.788	0.808	0.851	0.817	0.817	0.840	0.882	0.847	0.850	
Electricity	WPI - Commercial Electric Power	0.669	0.808	0.832	0.863	0.834	0.850	0.882	0.946	0.862	0.857	0.896	0.966	0.881	0.875	0.916	0.986	0.906	0.897	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	0.752	0.715	0.700	0.727	0.747	0.712	0.697	0.733	0.734	0.707	0.709	0.761	0.770	0.764	0.766	0.797	0.821	
Water & Sewerage	CPI - Water & Sewage	0.376	0.610	0.618	0.632	0.638	0.648	0.663	0.682	0.688	0.696	0.708	0.725	0.734	0.740	0.748	0.761	0.769	0.780	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	0.930	0.930	0.932	0.935	0.937	0.940	0.945	0.953	0.963	0.971	0.978	0.986	0.998	1.006	1.008	1.003	0.989	
All Other		31.657	0.749	0.756	0.762	0.772	0.781	0.786	0.788	0.793	0.797	0.803	0.808	0.811	0.817	0.822	0.822	0.825	0.830	
All Other Products		20.336	0.775	0.782	0.787	0.798	0.804	0.806	0.805	0.810	0.814	0.820	0.824	0.827	0.832	0.838	0.836	0.839	0.843	
Drugs	WPI - Prescription Drugs	5.855	0.544	0.556	0.561	0.571	0.586	0.602	0.611	0.619	0.631	0.642	0.649	0.654	0.664	0.672	0.677	0.680	0.690	
Food-direct purchase	WPI - Processed Foods	1.664	0.884	0.899	0.902	0.895	0.898	0.897	0.891	0.892	0.892	0.899	0.897	0.895	0.901	0.910	0.912	0.917	0.927	
Food-away from home	CPI - Food Away Fr. Home	1.180	0.739	0.750	0.758	0.764	0.768	0.776	0.782	0.786	0.789	0.792	0.795	0.798	0.802	0.806	0.810	0.813	0.816	
Chemicals	WPI - Industrial Chem.	2.096	0.892	0.890	0.901	0.954	0.930	0.901	0.879	0.882	0.864	0.870	0.888	0.887	0.885	0.894	0.886	0.882	0.870	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	0.918	0.925	0.927	0.929	0.933	0.938	0.941	0.941	0.953	0.960	0.960	0.963	0.976	0.984	0.978	0.981	0.983	
Photo Supplies	WPI - Photo Supplies	0.183	1.019	1.020	1.032	1.032	1.015	1.010	1.010	1.011	1.011	1.008	1.011	1.011	0.996	0.997	0.999	1.005	1.014	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.893	0.895	0.894	0.907	0.915	0.910	0.906	0.903	0.907	0.911	0.914	0.915	0.917	0.920	0.918			
Paper Products	WPI - Convert. Paper And Paperboard	1.905	0.822	0.827	0.825	0.829	0.832	0.826	0.818	0.818	0.820	0.826	0.826	0.824	0.820	0.823	0.813	0.814	0.815	
Apparel	WPI - Apparel	0.394	0.930	0.933	0.938	0.939	0.944	0.950	0.955	0.958	0.970	0.969	0.973	0.978	0.980	0.980	0.981	0.980	0.982	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	0.973	0.978	0.983	0.989	0.998	1.000	0.999	1.000	1.003	1.002	1.001	1.003	1.007	1.008	1.008	1.009	1.013	
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.833	0.839	0.844	0.856	0.866	0.870	0.872	0.883	0.889	0.893	0.890	0.901	0.906	0.909	0.898	0.903	0.910	
All Other Services		11.321	0.703	0.709	0.717	0.726	0.741	0.751	0.758	0.763	0.768	0.773	0.778	0.782	0.788	0.793	0.797	0.801	0.807	
Telephone	CPI - Telephone Services	0.458	0.928	0.930	0.921	0.927	0.938	0.939	0.942	0.947	0.951	0.948	0.945	0.944	0.950	0.949	0.954	0.960	0.966	
Postage	CPI - Postage	1.300	0.706	0.706	0.706	0.706	0.782	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	0.662	0.669	0.674	0.684	0.690	0.700	0.711	0.716	0.723	0.728	0.736	0.739	0.747	0.752	0.758	0.762	0.769	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	0.715	0.723	0.736	0.747	0.753	0.758	0.764	0.770	0.775	0.781	0.788	0.793	0.800	0.806	0.809	0.815	0.820	

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year																		
		Weights 2002	1990 Q1	1990 Q2	1990 Q3	1990 Q4	1991 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1992 Q2	1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	
<b>Percent Changes</b>																				
Total - PPS02		100.000	5.6	5.4	5.3	5.3	5.2	5.0	4.6	4.1	3.8	3.6	3.5	3.5	3.4	3.2	3.0	2.8		
Compensation		59.993	6.7	6.7	6.6	6.6	6.4	6.2	5.8	5.2	4.8	4.5	4.3	4.2	4.0	3.9	3.7	3.5	3.3	
Wages	ECI- Hospital Workers (Civilian)	48.171	6.3	6.2	6.1	6.1	5.9	5.7	5.3	4.8	4.4	4.1	3.8	3.6	3.4	3.3	3.2	3.1		
Benefits	ECI- Hospital Workers (Civilian)	11.822	8.5	8.7	8.7	8.8	8.5	8.2	7.9	6.9	6.5	6.3	6.2	6.7	6.6	6.2	5.6	4.8	4.2	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	5.3	5.6	5.7	5.5	5.3	5.1	4.9	4.9	4.8	4.7	4.6	4.6	4.4	4.2	3.9	3.6		
Utilities		1.251	4.1	3.3	2.4	2.4	2.8	3.6	5.4	5.4	4.8	4.1	2.9	2.8	3.2	3.6	3.7	3.7	3.8	
Electricity	WPI - Commercial Electric Power	0.669	3.1	2.4	1.7	2.0	2.7	3.8	6.2	6.1	4.9	3.8	1.9	1.7	2.0	2.2	2.2	2.3	2.4	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	4.9	2.1	-1.2	-2.0	-2.5	-1.6	-0.4	-0.1	-0.4	-0.5	0.0	0.8	2.4	4.6	6.1	6.3	6.8	
Water & Sewerage	CPI - Water & Sewage	0.376	6.2	6.3	6.6	6.7	6.5	6.6	7.0	7.3	7.6	7.5	7.1	6.8	6.5	5.9	5.4	5.2		
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	-0.8	-1.1	-0.6	-0.1	0.1	0.5	0.8	1.3	1.8	2.4	2.9	3.3	3.5	3.6	3.4	3.0	1.8	
All Other		31.657	4.5	3.9	3.7	3.7	3.9	4.0	4.0	3.6	3.0	2.6	2.3	2.3	2.3	2.4	2.2	2.1	1.9	
All Other Products		20.336	4.7	3.9	3.5	3.5	3.6	3.5	3.3	2.6	2.0	1.7	1.7	1.9	2.1	2.2	2.0	1.8	1.6	
Drugs	WPI - Prescription Drugs	5.855	9.3	9.5	9.1	8.9	8.4	8.1	8.3	8.4	8.4	7.9	7.2	6.5	5.9	5.4	5.0	4.5	4.2	
Food-direct purchase	WPI - Processed Foods	1.664	3.5	3.3	3.7	3.5	3.2	2.0	0.7	0.0	-0.6	-0.4	0.0	0.1	0.5	0.8	1.0	1.6	2.1	
Food-away from home	CPI - Food Away Fr. Home	1.180	4.6	4.7	4.8	4.7	4.6	4.2	3.8	3.4	3.1	2.7	2.3	2.0	1.7	1.7	1.7	1.8	1.8	
Chemicals	WPI - Industrial Chem.	2.096	2.1	-2.0	-3.1	-1.4	0.9	2.7	2.3	-1.2	-4.0	-5.2	-4.4	-2.3	0.1	1.7	1.4	0.1		
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	3.9	3.3	3.0	2.6	2.2	2.0	1.6	1.5	1.6	1.8	2.0	2.2	2.3	2.3	2.1	2.1		
Photo Supplies	WPI - Photo Supplies	0.183	8.0	6.6	5.1	3.7	2.2	1.1	-0.3	-1.4	-1.4	-1.2	-0.6	-0.2	-0.4	-0.6	-1.0	-1.1	-0.3	
Rubber & Plastics	WPI - Rub. & Plast. Prod.																			

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year																		
		Weights 2002	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2	1997 Q3	1997 Q4	1998 Q1	1998 Q2	
<b>Index Levels:</b>																				
Total - PPS02		100.000	0.800	0.806	0.812	0.819	0.825	0.830	0.834	0.838	0.843	0.847	0.849	0.851	0.853	0.859	0.864	0.869	0.879	
Compensation		59.993	0.778	0.785	0.790	0.793	0.798	0.802	0.808	0.814	0.818	0.822	0.824	0.827	0.830	0.836	0.843	0.845	0.852	
Wages	ECI- Hospital Workers (Civilian)	48.171	0.779	0.785	0.791	0.795	0.798	0.803	0.809	0.814	0.818	0.823	0.826	0.830	0.833	0.839	0.846	0.850	0.856	
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.773	0.781	0.787	0.786	0.797	0.799	0.805	0.812	0.815	0.817	0.815	0.815	0.816	0.822	0.828	0.827	0.837	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.774	0.780	0.783	0.788	0.793	0.798	0.802	0.812	0.819	0.823	0.825	0.831	0.839	0.844	0.851	0.857	0.865	
Utilities		1.251	0.861	0.891	0.859	0.862	0.872	0.901	0.865	0.871	0.892	0.920	0.887	0.898	0.897	0.932	0.907	0.893	0.904	
Electricity	WPI - Commercial Electric Power	0.669	0.924	0.986	0.921	0.923	0.952	1.007	0.931	0.918	0.952	1.009	0.930	0.924	0.952	1.005	0.931	0.914	0.941	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	0.786	0.755	0.762	0.763	0.719	0.702	0.724	0.776	0.761	0.810	0.880	0.775	0.788	0.865	0.825	0.791		
Water & Sewerage	CPI - Water & Sewage	0.376	0.789	0.799	0.803	0.809	0.813	0.821	0.826	0.841	0.859	0.849	0.853	0.860	0.864	0.882	0.888	0.894	0.901	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	0.989	0.989	0.956	0.951	0.951	0.951	0.948	0.946	0.946	0.946	0.934	0.934	0.934	0.934	0.934	0.934	0.934	
All Other		31.657	0.834	0.840	0.849	0.864	0.873	0.878	0.881	0.883	0.887	0.890	0.893	0.895	0.896	0.899	0.903	0.913	0.930	
All Other Products		20.336	0.847	0.853	0.866	0.880	0.892	0.898	0.900	0.900	0.903	0.905	0.906	0.905	0.905	0.907	0.911	0.924	0.948	
Drugs	WPI - Prescription Drugs	5.855	0.695	0.695	0.699	0.702	0.711	0.716	0.728	0.730	0.737	0.742	0.753	0.757	0.761	0.769	0.821	0.913		
Food-direct purchase	WPI - Processed Foods	1.664	0.925	0.917	0.914	0.923	0.920	0.934	0.952	0.956	0.972	0.995	0.991	0.981	0.989	0.984	0.979	0.964	0.964	
Food-away from home	CPI - Food Away Fr. Home	1.180	0.820	0.823	0.828	0.833	0.838	0.843	0.847	0.851	0.857	0.864	0.872	0.878	0.882	0.888	0.895	0.900	0.905	
Chemicals	WPI - Industrial Chem.	2.096	0.889	0.931	0.980	1.022	1.054	1.041	1.007	1.004	1.023	1.022	1.021	1.023	1.009	1.015	1.013	0.998	0.979	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	0.984	0.986	0.987	0.994	0.995	1.002	1.001	1.013	1.012	1.009	1.012	0.994	0.996	1.000	0.994	0.988	0.983	
Photo Supplies	WPI - Photo Supplies	0.183	1.006	0.995	0.994	1.006	1.013	1.029	1.044	1.043	1.043	1.040	1.044	1.046	1.050	1.032	1.037			
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.920	0.930	0.950	0.969	0.984	0.990	0.985	0.977	0.976	0.980	0.977	0.973	0.974	0.973	0.972	0.969		
Paper Products	WPI - Convert. Paper And Paperboard	1.905	0.822	0.834	0.870	0.914	0.955	0.983	0.986	0.967	0.941	0.922	0.920	0.914	0.898	0.899	0.917	0.934	0.932	
Apparel	WPI - Apparel	0.394	0.982	0.982	0.982	0.987	0.987	0.990	0.990	0.995	0.994	0.994	0.998	0.998	0.998	1.001	1.002	1.006	1.006	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	1.017	1.017	1.018	1.025	1.028	1.029	1.033	1.034	1.027	1.026	1.026	1.024	1.022	1.019	1.019	1.016		
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.912	0.912	0.918	0.926	0.930	0.930	0.942	0.944	0.945	0.943	0.950	0.951	0.948	0.944	0.951	0.952	0.955	
All Other Services		11.321	0.810	0.816	0.820	0.835	0.839	0.843	0.846	0.851	0.857	0.862	0.869	0.874	0.878	0.885	0.889	0.893	0.897	
Telephone	CPI - Telephone Services	0.458	0.969	0.970	0.969	0.976	0.973	0.976	0.978	0.983	0.983	0.995	0.999	1.006	1.009	1.004	1.005	1.014		
Postage	CPI - Postage	1.300	0.820	0.820	0.820	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	0.771	0.776	0.783	0.786	0.790	0.795	0.798	0.802	0.806	0.812	0.822	0.827	0.834	0.848	0.855	0.862	0.867	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	0.825	0.832	0.836	0.843	0.851	0.855	0.859	0.866	0.875	0.880	0.886	0.892	0.895	0.899	0.903	0.905	0.910	

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year																		
		Weights 2002	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2	1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2	1997 Q3	1997 Q4	1998 Q1	1998 Q2	
<b>Percent Changes:</b>																				
Total - PPS02		100.000	2.6	2.6	2.5	2.6	2.8	2.9	2.9	2.8	2.5	2.3	2.1	1.9	1.7	1.5	1.5	1.7	2.1	
Compensation		59.993	3.2	3.1	2.9	2.7	2.6	2.5	2.4	2.4	2.5	2.4	2.1	1.9	1.7	1.7	1.9	2.2		
Wages	ECI- Hospital Workers (Civilian)	48.171	3.0	2.9	2.8	2.7	2.6	2.5	2.4	2.4	2.5	2.4	2.3	2.1	1.9	2.0	2.1	2.4		
Benefits	ECI- Hospital Workers (Civilian)	11.822	3.8	3.6	3.4	2.9	2.8	2.5	2.4	2.7	2.5	2.5	2.3	1.5	1.0	0.6	0.7	1.0	1.6	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	3.4	3.4	3.3	3.1	2.9	2.6	2.4	2.6	2.8	3.0	3.1	2.9	2.7	2.6	2.6	2.8	3.0	
Utilities		1.251	3.4	2.7	2.2	1.6	1.3	1.3	1.1	1.0	1.3	2.0	2.5	2.0	1.8	1.8	0.9	1.0		
Electricity	WPI - Commercial Electric Power	0.669	2.1	1.5	1.2	1.3	1.8	2.4	2.3	1.4	0.7	0.2	-0.1	0.2	0.1	0.1	-0.3	-0.6		
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	5.5	3.2	0.9	-2.6	-5.4	-6.7	-6.9	-4.7	-1.2	2.6	6.9	10.0	8.9	7.7	6.4	1.2	1.3	
Water & Sewerage	CPI - Water & Sewage	0.376	5.2	5.2	5.1	4.6	4.0	3.5	3.1	3.2	3.8	3.9	4.1	3.6	2.4	2.5	2.7	3.1	4.0	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	0.5	-0.7	-2.3	-3.0	-3.6	-4.1	-3.1	-2.3	-1.4	-0.6	-0.4	-0.6	-0.8	-1.0	-1.3	-1.0	-0.7	
All Other		31.657	1.7	1.7	2.0	2.7	3.5	4.1	4.3	4.3	3.8	3.0	2.2	1.6	1.4	1.2	1.2	1.1	2.0	
All Other Products		20.336	1.3	1.4	1.9	2.7	3.8	4.6	4.7	4.2	3.2	2.1	1.2	0.8	0.6	0.4	0.4	0.7	1.9	
Drugs	WPI - Prescription Drugs	5.855	3.9	3.5	3.2	2.7	2.4	2.5	2.8	3.3	3.7	3.8	3.3	3.1	2.9	2.6	3.1	4.5	9.0	
Food-direct purchase	WPI - Processed Foods	1.664	2.2	1.9	1.2	0.4	-0.2	0.1	1.3	2.2	3.8	5.0	5.0	4.7	3.7	1.8	0.5	-0.6	-1.6	
Food-away from home	CPI - Food Away Fr. Home	1.180	1.8	1.7	1.7	1.8	2.0	2.2	2.3	2.3	2.3	2.5	2.7	2.9	2.9	2.8	2.7	2.6		
Chemicals	WPI - Industrial Chem.	2.096	-0.8	0.5	3.5	8.2	13.1	14.7	12.3	7.4	2.2	-1.0	-1.3	-0.4	0.0	0.3	-0.2	-1.3	-1.7	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	1.1	0.8	0.5	0.6	0.9	1.1	1.3	1.5	1.6	1.4	1.3	0.4	-0.4	-0.8	-1.5	-1.1		
Photo Supplies	WPI - Photo Supplies	0.183	0.2	0.4	0.3	-0.4	-0.4	0.6	1.7	2.9	3.5	2.9	2.3	1.3	0.6	0.3	0.2	0.1	-0.1	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.6	0.8	1.4															

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year																		
		Weights	1998	1998	1999	1999	1999	1999	2000	2000	2000	2000	2001	2001	2001	2001	2002	2002	2002	
		2002	Q3	Q4	Q1	Q2	Q3	Q4												
<b>Index Levels:</b>																				
Total - PPS02		100.000	0.886	0.890	0.893	0.898	0.906	0.914	0.921	0.929	0.939	0.948	0.960	0.970	0.979	0.986	0.995	1.004	1.015	
Compensation		59.993	0.860	0.864	0.871	0.876	0.884	0.893	0.900	0.908	0.919	0.930	0.941	0.956	0.971	0.983	0.996	1.005	1.016	
Wages	ECI- Hospital Workers (Civilian)	48.171	0.864	0.868	0.875	0.879	0.887	0.897	0.903	0.911	0.922	0.933	0.942	0.958	0.972	0.985	0.996	1.004	1.015	
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.842	0.848	0.856	0.864	0.869	0.880	0.887	0.898	0.908	0.920	0.935	0.949	0.968	0.976	0.997	1.007	1.020	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.874	0.880	0.882	0.890	0.896	0.906	0.916	0.930	0.940	0.949	0.965	0.972	0.983	0.990	0.997	1.003	1.010	
Utilities		1.251	0.934	0.902	0.892	0.901	0.939	0.913	0.911	0.935	0.996	1.000	1.072	1.045	1.051	1.000	0.984	0.995	1.022	
Electricity	WPI - Commercial Electric Power	0.669	0.996	0.924	0.903	0.928	0.986	0.920	0.910	0.938	1.007	0.954	0.970	1.001	1.070	0.999	0.970	0.991	1.041	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	0.780	0.811	0.807	0.777	0.810	0.863	0.869	0.910	1.047	1.232	1.600	1.323	1.119	1.027	1.002	0.990	0.980	
Water & Sewerage	CPI - Water & Sewage	0.376	0.909	0.911	0.917	0.921	0.926	0.929	0.936	0.942	0.950	0.957	0.965	0.971	0.980	0.987	0.998	1.004	1.011	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	0.939	0.946	0.953	0.953	0.953	0.953	0.958	0.956	0.960	0.964	0.969	0.975	0.981	0.987	0.995	1.002	1.016	
All Other		31.657	0.934	0.936	0.935	0.939	0.945	0.953	0.959	0.968	0.974	0.978	0.990	0.994	0.991	0.991	0.995	1.002	1.012	
All Other Products		20.336	0.951	0.953	0.948	0.950	0.957	0.965	0.972	0.980	0.986	0.989	1.001	1.002	0.995	0.993	0.996	1.003	1.009	
Drugs	WPI - Prescription Drugs	5.855	0.925	0.932	0.918	0.926	0.938	0.942	0.950	0.954	0.961	0.965	0.983	0.987	0.974	0.981	0.997	1.006	1.016	
Food-direct purchase	WPI - Processed Foods	1.664	0.970	0.966	0.963	0.955	0.966	0.967	0.966	0.983	0.979	0.995	1.010	1.021	1.006	1.000	0.995	1.000		
Food-away from home	CPI - Food Away Fr. Home	1.180	0.912	0.917	0.924	0.929	0.934	0.939	0.945	0.949	0.956	0.962	0.969	0.976	0.985	0.992	0.997	1.002	1.009	
Chemicals	WPI - Industrial Chem.	2.096	0.966	0.957	0.942	0.939	0.952	0.986	1.014	1.036	1.053	1.042	1.077	1.057	1.013	0.978	0.971	1.012	1.040	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	0.984	0.987	0.988	0.984	0.977	0.974	0.977	0.975	0.976	0.977	0.985	0.986	0.988	0.991	0.999	1.005	1.005	
Photo Supplies	WPI - Photo Supplies	0.183	1.037	1.037	1.033	1.032	1.032	1.030	1.001	1.003	1.007	1.016	1.014	1.040	1.040	1.040	1.045	0.958	0.958	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.967	0.965	0.962	0.963	0.970	0.975	0.978	0.984	0.995	1.006	1.008	1.004	1.000	0.996	1.000	1.005	1.005	
Paper Products	WPI - Convert. Paper And Paperboard	1.905	0.931	0.922	0.916	0.932	0.944	0.961	0.969	0.999	1.003	1.006	1.004	1.008	1.005	1.005	0.999	1.007	1.009	
Apparel	WPI - Apparel	0.394	1.008	1.010	1.012	1.011	1.010	1.011	1.014	1.013	1.015	1.014	1.012	1.010	1.009	1.006	1.000	0.997	0.997	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	1.013	1.012	1.013	1.010	1.008	1.008	1.007	1.007	1.008	1.008	1.007	1.003	1.002	1.002	0.999	0.997		
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.954	0.967	0.972	0.970	0.968	0.982	0.981	0.983	0.984	0.994	0.996	0.998	1.003	1.001	1.001	0.995		
All Other Services		11.321	0.902	0.905	0.913	0.920	0.923	0.930	0.937	0.945	0.952	0.958	0.970	0.978	0.984	0.988	0.993	1.000	1.019	
Telephone	CPI - Telephone Services	0.458	1.013	1.011	1.008	1.002	0.999	1.008	1.001	0.984	0.983	0.984	0.993	0.992	0.998	1.001	1.003	0.992	1.005	
Postage	CPI - Postage	1.300	0.904	0.904	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.959	0.963	0.974	0.974	0.974	0.974	1.077	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	0.875	0.880	0.889	0.896	0.899	0.909	0.917	0.927	0.934	0.944	0.956	0.964	0.973	0.987	0.997	1.003	1.013	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	0.913	0.917	0.920	0.929	0.935	0.941	0.950	0.960	0.968	0.973	0.982	0.992	0.994	0.994	1.005	1.010		

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year																		
		Weights	1998	1998	1999	1999	1999	1999	2000	2000	2000	2000	2001	2001	2001	2001	2002	2002	2002	
		2002	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Percent Changes</b>																				
Total - PPS02		100.000	2.6	2.8	3.0	2.7	2.5	2.5	2.5	2.9	3.2	3.5	3.8	4.0	4.1	4.2	4.1	3.9	3.7	
Compensation		59.993	2.5	2.6	2.8	2.8	3.0	3.1	3.3	3.6	3.8	4.1	4.5	4.9	5.3	5.6	5.6	5.3		
Wages	ECI- Hospital Workers (Civilian)	48.171	2.6	2.7	2.8	2.8	2.7	2.9	3.0	3.2	3.5	3.7	4.0	4.4	4.7	5.1	5.4	5.4	5.1	
Benefits	ECI- Hospital Workers (Civilian)	11.822	2.0	2.2	2.7	2.9	3.1	3.4	3.5	3.7	4.0	4.2	4.6	5.0	5.6	5.9	6.2	6.3		
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	3.2	3.3	3.3	3.2	3.0	2.8	3.0	3.5	4.0	4.5	4.9	4.9	4.8	4.7	4.2	3.8	3.4	
Utilities		1.251	0.7	0.0	0.1	-0.2	-0.2	0.3	0.9	1.9	3.3	5.4	9.3	11.3	11.0	8.5	1.9	-2.1	-4.1	
Electricity	WPI - Commercial Electric Power	0.669	-0.8	-1.0	-1.0	-1.0	-1.1	-1.0	-0.6	0.0	0.9	1.9	3.3	4.8	5.9	6.1	4.5	2.5	0.1	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	0.2	-3.1	-1.9	-2.9	-1.7	1.6	4.1	8.8	15.1	24.6	44.3	50.7	43.0	24.9	-6.6	-20.4	-24.2	
Water & Sewerage	CPI - Water & Sewage	0.376	3.8	3.5	3.1	2.6	2.3	2.2	2.0	2.1	2.2	2.5	2.7	2.9	3.1	3.2	3.3	3.3		
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	-0.2	0.5	1.0	1.5	1.7	1.6	1.2	0.7	0.5	0.7	0.8	1.3	1.7	1.9	2.3	2.5	2.8	
All Other		31.657	2.7	3.4	3.4	2.7	2.0	1.6	1.6	2.2	2.6	2.8	3.0	2.9	2.6	2.2	1.6	1.1	1.2	
All Other Products		20.336	3.1	4.1	4.2	3.0	1.9	1.1	1.2	1.9	2.5	2.8	2.9	2.7	2.1	1.6	0.7	0.2	0.3	
Drugs	WPI - Prescription Drugs	5.855	13.8	18.1	18.7	13.4	8.4	3.7	1.8	2.2	2.5	2.8	2.9	2.7	2.1	1.6	0.7	2.5	1.6	2.3
Food-direct purchase	WPI - Processed Foods	1.664	-1.7	-1.8	-1.3	-0.9	-0.7	-0.3	-0.2	0.7	1.2	1.5	2.2	2.1	2.8	3.2	2.5	1.5	-0.1	
Food-away from home	CPI - Food Away Fr. Home	1.180	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.3	2.3	2.4	2.5	2.7	2.9	3.0	2.9	2.8		
Chemicals	WPI - Industrial Chem.	2.096	-2.8	-4.0	-4.8	-5.0	-4.2	-2.1	1.2	4.9	7.9	8.6	8.2	6.1	2.5	-0.5	-4.5</			

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year							Forecast										
		Weights	2002	2002	2003	2003	2003	2003	2004	2004	2004	2005	2005	2005	2005	2006	2006	2006	2006
<b>Index Levels:</b>																			
Total - PPS02		100.000	1.025	1.038	1.044	1.055	1.063	1.075	1.086	1.100	1.109	1.123	1.131	1.144	1.155	1.167	1.175	1.187	1.197
Compensation		59.993	1.028	1.040	1.045	1.059	1.069	1.079	1.087	1.100	1.108	1.121	1.128	1.141	1.149	1.159	1.167	1.182	1.193
Wages	ECI- Hospital Workers (Civilian)	48.171	1.027	1.035	1.041	1.053	1.062	1.070	1.076	1.088	1.097	1.106	1.113	1.124	1.133	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	1.031	1.058	1.063	1.081	1.095	1.116	1.131	1.149	1.155	1.183	1.193	1.209	1.217	-	-	-	-
Professional Fees																			
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	1.015	1.028	1.035	1.046	1.053	1.071	1.079	1.092	1.100	1.116	1.121	1.130	1.133	-	-	-	-
Utilities		1.251	1.010	1.044	1.066	1.110	1.080	1.093	1.117	1.158	1.149	1.159	1.189	1.244	1.302	1.309	1.315	1.352	1.314
Electricity	WPI - Commercial Electric Power	0.669	0.979	0.978	1.008	1.082	1.010	0.999	1.026	1.077	1.030	1.034	1.069	1.132	1.108	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	1.094	1.283	1.307	1.307	1.332	1.408	1.431	1.473	1.558	1.564	1.609	1.713	2.129	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	1.020	1.029	1.038	1.053	1.068	1.089	1.106	1.128	1.138	1.161	1.172	1.186	1.196	-	-	-	-
Prof. Liability Insurance																			
Malpractice	HCFA - Prof. Liab. Prem.	1.589	1.037	1.033	1.070	1.111	1.148	1.203	1.254	1.296	1.335	1.375	1.413	1.445	1.468	1.486	1.500	1.514	1.530
All Other		31.657	1.020	1.036	1.040	1.044	1.050	1.062	1.077	1.088	1.099	1.111	1.121	1.134	1.148	1.164	1.171	1.179	1.187
All Other Products		20.336	1.019	1.039	1.043	1.047	1.055	1.068	1.087	1.101	1.116	1.132	1.141	1.158	1.176	1.195	1.201	1.209	1.218
Drugs	WPI - Prescription Drugs	5.855	1.031	1.048	1.061	1.076	1.086	1.102	1.124	1.130	1.137	1.155	1.175	1.213	1.219	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	1.004	1.025	1.041	1.055	1.087	1.084	1.138	1.113	1.105	1.119	1.127	1.122	1.126	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	1.014	1.018	1.024	1.030	1.037	1.046	1.053	1.063	1.070	1.079	1.086	1.095	1.103	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	1.067	1.161	1.133	1.123	1.134	1.205	1.250	1.346	1.425	1.451	1.453	1.505	1.574	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	1.006	1.029	1.033	1.035	1.033	1.040	1.045	1.051	1.038	1.051	1.051	1.048	1.047	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	0.950	0.954	0.954	0.936	0.936	0.939	0.923	0.919	0.920	0.956	0.962	0.972	0.973	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	1.007	1.017	1.033	1.030	1.031	1.037	1.046	1.059	1.085	1.110	1.121	1.128	1.189	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	1.008	1.011	1.012	1.010	1.008	1.002	1.014	1.041	1.057	1.070	1.076	1.074	1.086	-	-	-	-
Apparel	WPI - Apparel	0.394	0.999	1.001	0.999	1.002	0.998	0.998	0.997	1.004	1.001	0.998	1.000	1.000	1.000	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	0.995	0.993	0.992	0.990	0.988	0.987	0.992	0.993	0.995	1.002	1.005	1.006	1.007	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	1.004	1.002	0.998	0.998	1.010	1.011	1.014	1.013	1.031	1.038	1.040	1.040	1.049	-	-	-	-
All Other Services		11.321	1.022	1.031	1.034	1.040	1.042	1.051	1.061	1.064	1.068	1.075	1.084	1.092	1.097	1.109	1.119	1.124	1.130
Telephone	CPI - Telephone Services	0.458	1.003	1.006	0.984	0.981	0.975	0.972	0.964	0.956	0.951	0.953	0.952	0.948	0.953	-	-	-	-
Postage	CPI - Postage	1.300	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	1.018	1.031	1.036	1.044	1.051	1.064	1.072	1.076	1.082	1.089	1.096	1.102	1.107	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	1.013	1.023	1.027	1.032	1.032	1.041	1.056	1.060	1.066	1.073	1.087	1.101	1.106	-	-	-	-

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year							Forecast										
		Weights	2002	2002	2003	2003	2003	2003	2004	2004	2004	2005	2005	2005	2005	2006	2006	2006	2006
<b>Percent Changes</b>																			
Total - PPS02		100.000	3.7	3.8	3.9	4.0	4.0	3.8	3.9	4.1	4.3	4.3	4.2	4.2	4.1	4.0	3.9	3.8	
Compensation		59.993	5.0	4.7	4.4	4.3	4.1	4.0	4.0	3.9	3.8	3.9	3.8	3.8	3.6	3.5	3.5	3.5	
Wages	ECI- Hospital Workers (Civilian)	48.171	4.8	4.4	4.1	3.9	3.7	3.5	3.5	3.4	3.3	3.3	3.3	3.3	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	5.9	5.8	5.7	5.8	5.9	6.0	6.1	5.9	6.1	5.8	5.5	5.5	-	-	-	-	-
Professional Fees																			
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	3.0	2.9	2.9	3.1	3.4	3.7	3.9	4.1	4.3	4.3	4.0	3.7	-	-	-	-	-
Utilities		1.251	-3.8	-0.2	2.8	5.8	7.2	6.9	6.3	5.1	5.0	5.3	5.8	6.6	8.4	10.1	11.0	11.3	8.1
Electricity	WPI - Commercial Electric Power	0.669	-1.5	-1.3	-0.6	1.2	2.5	2.8	1.6	1.3	1.7	2.3	3.7	5.1	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-19.8	-2.8	12.7	24.8	28.6	23.2	17.5	13.1	12.3	12.5	13.3	14.2	19.5	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	3.4	3.3	3.3	3.5	3.8	4.5	5.3	6.0	6.5	6.7	6.5	6.1	5.7	-	-	-	-
Prof. Liability Insurance																			
Malpractice	HCFA - Prof. Liab. Prem.	1.589	3.5	3.8	4.8	6.3	7.7	10.8	13.4	15.3	16.6	16.1	15.0	13.6	12.1	10.5	8.8	7.2	5.8
All Other		31.657	1.6	2.5	3.2	3.5	3.5	3.1	3.1	3.3	3.7	4.3	4.4	4.4	4.3	4.4	4.5	4.4	4.1
All Other Products		20.336	0.9	2.1	3.1	3.7	3.9	3.5	3.6	4.0	4.5	5.3	5.5	5.5	5.4	5.3	5.3	5.1	4.7
Drugs	WPI - Prescription Drugs	5.855	3.2	4.1	5.0	5.4	5.4	5.5	5.6	5.4	5.2	5.1	4.8	5.4	6.0	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-0.8	-0.3	1.2	3.1	5.2	6.0	7.2	7.2	5.5	4.9	2.3	1.1	1.2	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	2.6	2.4	2.2	2.2	2.1	2.3	2.5	2.7	3.0	3.1	3.2	3.1	3.1	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-0.9	6.5	10.7	12.1	11.3	7.4	7.1	10.1	14.8	19.1	20.4	18.2	14.5	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	1.7	2.0	2.3	2.6	2.9	2.4	2.0	1.6	1.1	1.0	0.9	0.4	0.5	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-5.4	-8.3	-6.5	-5.1	-3.4	-1.5	-2.1	-2.0	-2.1	-1.2	0.6	2.5	4.4	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-0.3	0.5	1.6	2.2	2.6	2.5	2.0	2.1	2.8	4.1	5.6	6.5	7.6	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-0.5	0.0	0.6	1.0	0.9	0.4	0.1	0.6	1.8	3.7	5.2	5.2	4.7	-	-	-	-
Apparel	WPI - Apparel	0.394	-1.1	-0.8	-0.4	0.0	0.2	0.1	0.0	-0.1	-0.1	0.0	0.1	0.2	0.1	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-0.6	-0.7	-0.8	-0.8	-0.8	-0.7	-0.5	-0.2	0.1	0.6	1.0	1.2	1.3	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.1	0.0	-0.1	0.0	0.2	0.4	0.8	1.1									

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast												Forecast					
			2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	
<b>Index Levels:</b>																				
Total - PPS02		100.000	1.206	1.215	1.226	1.235	1.244	1.252	1.263	1.271	1.278	1.283	1.292	1.296	1.305	1.314	1.325	1.333	1.342	
Compensation		59.993	1.203	1.212	1.225	1.236	1.247	1.255	1.268	1.279	1.289	1.297	1.311	1.319	1.330	1.339	1.352	1.362	1.373	
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Utilities		1.251	1.313	1.309	1.348	1.313	1.315	1.322	1.364	1.323	1.335	1.349	1.390	1.358	1.372	1.383	1.430	1.393	1.402	
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	1.548	1.569	1.593	1.620	1.648	1.677	1.705	1.731	1.756	1.780	1.803	1.826	1.849	1.872	1.896	1.919	1.943	
All Other		31.657	1.194	1.201	1.206	1.212	1.218	1.224	1.228	1.232	1.231	1.229	1.226	1.221	1.225	1.232	1.236	1.241	1.247	
All Other Products		20.336	1.225	1.232	1.236	1.242	1.246	1.252	1.254	1.259	1.252	1.245	1.232	1.221	1.224	1.230	1.232	1.237	1.242	
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Services		11.321	1.138	1.146	1.152	1.158	1.166	1.173	1.179	1.185	1.193	1.201	1.214	1.220	1.227	1.236	1.243	1.248	1.256	
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast												Forecast					
			2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	
<b>Percent Changes</b>																				
Total - PPS02		100.000	3.7	3.5	3.4	3.3	3.2	3.1	3.1	3.1	3.0	2.8	2.6	2.4	2.2	2.2	2.2	2.4	2.6	
Compensation		59.993	3.7	3.8	3.8	3.7	3.7	3.6	3.6	3.6	3.5	3.4	3.4	3.3	3.2	3.2	3.2	3.2	3.2	
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Utilities		1.251	4.9	2.3	0.1	-0.1	-0.2	0.2	0.6	0.8	1.1	1.4	1.6	2.0	2.4	2.5	2.7	2.7	2.5	
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	4.8	4.4	4.5	5.0	5.5	6.1	6.5	6.8	6.8	6.7	6.4	6.0	5.7	5.4	5.2	5.2	5.1	
All Other		31.657	3.6	3.1	2.7	2.4	2.2	2.1	2.0	1.8	1.6	1.2	0.8	0.1	-0.3	-0.3	-0.1	0.6	1.1	
All Other Products		20.336	3.9	3.3	2.7	2.3	2.1	1.9	1.7	1.6	1.2	0.7	-0.1	-1.2	-1.9	-2.1	-1.6	-0.6	0.4	
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Services		11.321	2.9	2.7	2.6	2.5	2.5	2.5	2.4	2.4	2.3	2.3	2.5	2.6	2.8	2.9	2.8	2.6	2.5	
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast												Forecast					
			2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	
<b>Index Levels:</b>																				
Total - PPS02		100.000	1.351	1.363	1.372	1.382	1.391	1.404	1.414	1.425	1.435	1.448	1.458	1.469	1.479	1.493	1.503	1.514	1.524	
Compensation		59.993	1.381	1.397	1.408	1.418	1.428	1.443	1.455	1.466	1.476	1.491	1.503	1.515	1.525	1.541	1.553	1.565	1.576	
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Utilities		1.251	1.408	1.454	1.419	1.437	1.447	1.494	1.457	1.479	1.488	1.536	1.499	1.518	1.530	1.580	1.542	1.560	1.572	
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	1.968	1.993	2.019	2.046	2.074	2.103	2.133	2.163	2.194	2.225	2.255	2.286	2.318	2.350	2.382	2.414	2.447	
All Other		31.657	1.254	1.258	1.263	1.271	1.280	1.286	1.293	1.302	1.311	1.317	1.323	1.330	1.339	1.345	1.352	1.359	1.368	
All Other Products		20.336	1.248	1.250	1.255	1.262	1.271	1.276	1.283	1.289	1.298	1.302	1.308	1.315	1.323	1.328	1.334	1.341	1.349	
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Services		11.321	1.265	1.272	1.278	1.286	1.296	1.303	1.310	1.325	1.335	1.343	1.350	1.359	1.369	1.377	1.383	1.393	1.403	
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast												Forecast					
			2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	
<b>Percent Changes</b>																				
Total - PPS02		100.000	2.7	2.8	2.9	2.9	3.0	3.0	3.0	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	
Compensation		59.993	3.2	3.2	3.3	3.3	3.3	3.4	3.3	3.3	3.3	3.3	3.3	3.4	3.3	3.3	3.3	3.3	3.3	
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Professional Fees																				
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Utilities		1.251	2.4	2.1	1.9	2.0	2.2	2.5	2.7	2.8	2.8	2.8	2.9	2.8	2.8	2.8	2.8	2.8	2.8	
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prof. Liability Insurance																				
Malpractice	HCFA - Prof. Liab. Prem.	1.589	5.1	5.1	5.1	5.2	5.3	5.4	5.5	5.6	5.7	5.7	5.7	5.7	5.7	5.7	5.6	5.6	5.6	
All Other		31.657	1.5	1.8	1.8	1.8	1.9	2.0	2.1	2.3	2.4	2.4	2.4	2.3	2.3	2.2	2.2	2.2	2.2	
All Other Products		20.336	1.1	1.4	1.5	1.5	1.6	1.7	2.0	2.1	2.2	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other Services		11.321	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.6	2.8	2.9	3.1	2.9	2.8	2.6	2.5	2.5	2.5	
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using  
Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year	Forecast					
		Weights 2002	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q3	2016 Q4
<b>Index Levels:</b>								
Total - PPS02		100.000	1.539	1.549	1.561	1.571	1.587	1.598
Compensation		59.993	1.593	1.606	1.619	1.629	1.647	1.660
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-
Professional Fees								
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-
Utilities		1.251	1.622	1.582	1.599	1.610	1.660	1.621
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-
Prof. Liability Insurance								
Malpractice	HCFA - Prof. Liab. Prem.	1.589	2.480	2.513	2.546	2.580	2.614	2.639
All Other		31.657	1.374	1.381	1.388	1.398	1.407	1.413
All Other Products		20.336	1.354	1.360	1.367	1.376	1.380	1.387
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-
All Other Services		11.321	1.411	1.418	1.427	1.437	1.454	1.461
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002  
Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2016

Expense Category	Price/Wage Variable	Base Year	Forecast					
		Weights 2002	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q3	2016 Q4
<b>Percent Changes</b>								
Total - PPS02		100.000	3.1	3.1	3.1	3.1	3.1	3.1
Compensation		59.993	3.3	3.4	3.4	3.4	3.4	3.4
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-
Professional Fees								
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-
Utilities		1.251	2.8	2.7	2.6	2.6	2.5	2.4
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-
Prof. Liability Insurance								
Malpractice	HCFA - Prof. Liab. Prem.	1.589	5.6	5.5	5.5	5.5	5.5	5.3
All Other		31.657	2.2	2.2	2.2	2.2	2.2	2.3
All Other Products		20.336	2.0	2.0	2.0	2.0	2.0	2.0
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-
All Other Services		11.321	2.5	2.5	2.5	2.5	2.6	2.7
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-

SOURCE: GLOBAL INSIGHT, INC, 1st Qtr, 2006; @USMACRO/CONTROL0306 @CISSIM/CNTL08R3.SIM  
Historical Data through 4th QTR, 2005

market basket effective October 1, 2005